

Agenda

UAC INSURANCE MUTUAL BOARD OF DIRECTORS MEETING

August 3, 1995 10:00 a.m. - 3:00 p.m.

Utah Association of Counties Offices
4021 South 700 East, Suite 180

10:00 AM	Call To Order & Welcome	Gary Herbert
2	Review of Board Member's Absent	Gary Herbert
3	Approval of June 15, 1995, Minutes	Gary Herbert
4	Criminal Legal Defense Costs	Members of SWAP
5	Meeting with Uintah County	Brent Gardner
6	Meeting with Insurance Department	Brent Gardner
7	Criteria for Member County Drivers	Brent Gardner
12:00 PM	Lunch Break	
8	Financial Statement & Loss Summary Review	Brent Gardner
9	UACIM Assistant Administrator	Gary Herbert
10	Board Policy on Surplus Held in Escrow/Claim Payment Priority & County Release	Kent Sundberg
11	Litigation Committee & Claims Report	Kent Sundberg & Doug Alexander
12	Loss Prevention Report	David Nelson
13	Brokerage Report	Jess Hurtado
14	State of Utah, Workers Compensation Insurance Letter	Board Discussion
15	Other Business	Gary Herbert
3:00 PM	Adjourn	

NOTES:



UTAH ASSOCIATION
OF COUNTIES
INSURANCE MUTUAL

UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL (UACIM) MINUTES, BOARD OF DIRECTORS MEETING

August 3, 1995, 10:00 a.m.
UAC Offices, Salt Lake City

Board Members Present: Gary Herbert, *President*, Utah County Commissioner
Gerald Hess, *Vice President*, Davis County Deputy Attorney
Dennis Ewing, *Comptroller*, Tooele County Clerk
Sid Groll, Cache County Sheriff
Sarah Ann Skanchy, Cache County Council Member
Gary Sullivan, Beaver County Commissioner

Board Members Absent: Robert Gardner, *Secretary*, Iron County Commissioner
Ken Brown, Rich County Commissioner
Ty Lewis, San Juan County Commissioner

Others Present: Bill Redd, San Juan County Commissioner
Kent Sundberg, Utah County Deputy Attorney
Gavin Anderson, Salt Lake County Deputy Attorney
Brent Gardner, UACIM Administrator
Sonya White, UACIM Administrative Assistant
David Nelson, UACIM Loss Prevention Manager
Jess Hurtado, UACIM Broker
Keri Chappell, UACIM Broker
Doug Alexander, UACIM Claims Administrator

CALL TO ORDER

Chairman Gary Herbert called the meeting to order and welcomed those in attendance.

REVIEW OF BOARD MEMBERS ABSENT

Gary Herbert read a letter to the Board from Robert stating that he will be out of the state during this meeting. A letter from Ty was also read to the Board requesting to be excused from the June 15 meeting, as well as today's meeting, due to farming activities. Also, Ken has requested to be excused due to family ranching commitments. Gary Sullivan made a motion to excuse these Board members absent from this meeting along with Ty from the previous meeting. Dennis seconded the motion and the motion carried.

REVIEW AND APPROVAL OF JUNE 1995 MINUTES

The minutes, from the June 15, 1995, meeting, were previously sent and reviewed by the Board. Gerald noted the following corrections: page one under PRIMA Annual Convention, second paragraph, second sentence, should read: *Dennis felt the Convention was very beneficial and reported the following information to the Board.* On page two under PRIMA Annual Convention, Gerald's report, first bullet, third sentence, should read: *A list of subjects the Board should look for...* Gerald made a motion to accept the minutes with the above mentioned corrections. Dennis seconded the motion and the motion carried.

CRIMINAL LEGAL DEFENSE COSTS

Brent introduced Gavin Anderson to the Board. Gavin is a Board Member of the Statewide Association of Prosecutors (SWAP). Brent explained that he was contacted by Mark DeCaria, Weber County Attorney, who indicated that SWAP was trying to find a way to fund criminal legal defense costs. One suggestion was the possibility of UACIM becoming involved. On behalf of SWAP, Gavin explained that the changes in Utah Law regarding criminal defense, specifically the defense of capitol homicide cases, are cause for concern. One of the criminal procedure rules require that an attorney that represents a defendant in a capitol homicide case have certain qualifications. Only seven to nine attorney's in the State of Utah meet these qualifications which drive-up defense costs. Salt Lake County has a contract with The Legal Defenders for most of their criminal defense work. This contract has been satisfactory except for a few occasions when The Legal Defenders have had a conflict of interest, at which time the County had to find another attorney. This added approximately \$500,000 in capitol homicide defense costs for the County over the last six or eight months. This issue caused quite a concern with the smaller counties when discussed at the last SWAP and Utah Prosecution Council (UPC) meeting. These counties suggested the possibility of coverage, limited to capitol homicide defense, through UACIM. The Board felt that although pooling is a good idea, the concept of pooling monies to defend criminal homicide is a different element than risk related insurance matters. Gavin expressed that SWAP and UPC were thinking in terms of an independent pool using UACIM as a model. Brent suggested that SWAP and UPC make a presentation before the Utah Association of Counties (UAC) Board. Although technically this issue is not insurance related, it is not unprecedented at a UAC level. The Board suggested that this issue be taken up legislatively and directed Brent to continue working with Gavin and SWAP.

MEETING WITH UINTAH COUNTY

Pursuant to the discussion with Commissioner Glen McKee and Jerry Golins at the April 12 Board meeting, Brent explained that the Uintah County Commission, in a letter addressed to Gary Herbert, still had many concerns as to why Uintah County did not get a reduction in their 1995 premium when the Recreation District was no longer insured by UACIM. Therefore, Brent, Jess and Gary Herbert met with the Commission and Jerry on July 10. As their questions were answered and the county claim information was reviewed and discussed the overall purpose of the meeting appeared to be met. Gary Herbert was concerned that the commission was not receiving the monthly claim information and that this and other UACIM related information may not be reaching the necessary people in the member counties. The Board and staff discussed all the information such as Coordinator Manuals, Safety Manuals and monthly loss runs that have and are being received at the counties as well as presentations by David during his risk reviews, during the Newly Elected Officials Workshop and at the two UACIM Membership meetings each year. It appears that plenty of information and education is being given to the counties but as problems or concerns arise within the counties, the Board agreed that a personal visit by Board Members and staff would be serviceable.

MEETING WITH BOX ELDER COUNTY

Brent explained that on August 1, Gary Herbert, Jess and he visited with the county commission regarding three issues. 1) UACIM felt that the county nursing home lease agreements did not totally transfer liability from the county, therefore, a letter was hand delivered for signature making clear that if the nursing homes had a claim it would be Box Elder County's responsibility. The letter was signed and a premium reduction was made. 2) Claims 801BOX937026 and 801BOX937027 were discussed with the National Union Underwriter during the May 18 Board meeting. Doug received a letter from National Union stating they will cover these claims under a reservation of rights. This was explained extensively to the commission. 3) The commission was alerted to a continuing problem with breach of confidentiality on claims submitted by the county. Corrective actions were suggested.

Kent suggested that the Board may want to consider monies paid for claim disputes when calculating the 1996 premium rates. The Board requested that Jess and Doug present these figures and for David to present this type of loss trend to the Board at the next meeting.

MEETING WITH THE INSURANCE DEPARTMENT

On June 29, Brent and Jess met with the Insurance Commissioner and Vanna Hunter to discuss the Insurance Department requirements relating to rate filings. During the legislative session, Brent met with the Insurance Commissioner who told Brent that UACIM was exempt from rate filings but then the Commissioner sponsored a bill which required rate filing for all property and casualty companies. In the meeting, it was explained how the Board figures the annual rates and how the rates are evaluated. It was agreed that our procedures will be addressed in writing to the Insurance Commissioner who will accept this as rate filing for UACIM. Jess explained to Vanna that UACIM is getting ready to go to bid and preparing to set the rates for 1996 so correspondence will be sent once the rates are set. Once the preparations for the examination questions are completed, Brent and Jess will be ready to meet with the Commissioner again.

CRITERIA FOR MEMBER COUNTY DRIVERS

Triggered by the large numbers of auto physical damage claims, Brent was requested by the Board at the May 18 meeting to draft criteria for member county drivers. Brent reviewed his draft with the Board and after extensive discussion, the Board made several changes and corrections to the draft. The Board directed Brent to revise the policy to incorporate the following mandated requirements: 1) establish an Accident Review Board, 2) adopt a policy on Driving Under the Influence (DUI) violations, 3) adopt a policy on disciplinary action, 4) adopt a policy on volunteer drivers, and 5) annual Motor Vehicle Report (MVR) reviews. Also, recommendations and/or guidelines for suggested procedures to follow should be incorporated. The revised policy will be reviewed by the Board at the next meeting.

LOSS SUMMARY AND FINANCIAL STATEMENT REVIEW

The Board received copies of the May and June Financial Statements prepared by Aon Insurance Management Services of Chicago. Brent reviewed the June Statements with the Board which includes the numbers for the month ending May 1995. The *Balance Sheet* shows a *Premiums Receivable* of \$8,930 and a *Surplus Contributions Receivable* of \$1,870. These amounts are the monies that represent the Box Elder County premium reduction for their nursing homes. *Total Assets* equal \$4.7 million, *Total Liabilities* equal \$3.3 million and *Surplus* equals \$1.4 million. The *Incurred But Not Reported (IBNR)* loss reserves are at \$395,000. At this time last year, *IBNR's* were at \$642,000. *Open Case Reserves* are \$1.59 million, last year they were \$1.57 million. 1% above the State Treasurers Fund interest amount will be paid to those counties that contributed surplus loans totaling \$620,000. The Insurance Department requirement is \$2.4 million after which UACIM will begin to pay off the surplus loans. Surplus is building at approximately \$20,000 per month, not as quickly as expected due to claims. *Income Statement Total Revenues* are \$1.2 million, *Total Losses and Expenses* are \$1.3 million, showing a *Net Income* of -\$110,000. At this time last year, the UACIM *Net Income* was -\$289,000. *Actual to Budget* for the month of June was almost even across the board. The *Actual to Budget Year-to-Date* variance is also looking good for this year. *Income and Expense Report (Accrual Basis) Inception To Date* shows each year in one statement. Income and Surplus of \$1.393 million minus the surplus loans in the amount of \$620,000 equal \$770,000 surplus from premiums or \$160,000 per year. UACIM was hoping to be closer to \$450,000 contributed surplus each year.

Brent reported that the Administrative Budget adopted by the Board for 1995 needs to be revised. The Newsletter expense is now being debited to Printing. Brent would like to add a Newsletter line item \$1500 and Copying \$2500. The following line items need to be increased: Postage \$500, Printing \$500 and Board Expense \$5000. The following line items need to be decreased: Office Supplies \$1000, Salaries \$5000 and Training \$4000. These changes will make a \$10,000 shift in the budget. Dennis made a motion to adopt the line item changes as recommended by Brent. Gerald seconded the motion and the motion carried.

UACIM ASSISTANT ADMINISTRATOR

Gary Herbert reported that pursuant to the instructions of the Board during the June 15 meeting, a valiant attempt was made to hire Richard Warne for the position of UACIM Assistant Administrator. Mr. Warne did not accept the offer. The Selection Committee then contacted Bob Wise via telephonic conference. Mr. Wise was unable to make his initial interview due to illness. The Committee felt that a personal interview was warranted so he flew to Salt Lake from Denver. The Committee also invited Brett Rich and Jerry Allred back for a second interview. Wayne Bergstrom from California was also a top candidate but was not invited back due to the expenses involved. In completing these interviews, Brett

Rich definitely surpassed the other candidates. Gary, Brent, Kent and Jess gave a brief description of Brett's background which is lacking insurance and loss prevention experience. With time and training, the Committee feels that Brett will have all the qualities that UACIM needs, therefore, gives this recommendation to the Board. Brent explained that he gave this recommendation to Ken and Robert over the phone and they both had confidence in the Committee's recommendation to pursue Brett. Dennis made a motion to accept the Committee's recommendation and make an offer to Brett Rich for the position of UACIM Assistant Administrator. Considering his lack of insurance and loss prevention experience, the Committee is authorized to offer a salary towards the lower end of the range but with flexibility to negotiate. Sid seconded the motion and the motion carried.

BOARD POLICY ON SURPLUS HELD IN ESCROW/CLAIM PAYMENT PRIORITY & COUNTY RELEASE

Kent prepared a draft of a resolution format and policy format as well as releases for member signatures pursuant to the request of the Board. These drafts were taken to the Litigation Management Committee (LMC) meeting on July 27 and reviewed. The LMC recommends to the Board to use the resolution format on this policy and for any future policies adopted by the Board. The criteria for the resolution were approved by the Board at the May 18, meeting. Gerald made a motion to adopt the resolution presented and recommended by the LMC concerning the payment of claims in the event that the loss fund and stop loss aggregate of the UACIM are exhausted during any one year. Sid seconded the motion and the motion carried.

Kent reviewed the two draft releases, one for surplus funds and the other for eminent domain/inverse condemnation claims with the Board. The Board requested Kent to correct the language on the surplus funds release. Dennis made a motion to approve the releases as amended and authorize the Chairman of the Board to mail the releases to each member county commission/council chairman and county executive with a cover letter requesting signature on the releases. Sarah Ann seconded the motion and the motion carried.

LITIGATION COMMITTEE & CLAIMS REPORT

Claims Report. Dennis made a motion for the Board to go into executive session. Gary Sullivan seconded the motion and the motion carried.

Sarah Ann made a motion for the Board to come out of executive session. Gary Sullivan seconded the motion and the motion carried.

Dennis made a motion authorizing settlement up to \$150,000 on claim number 801UTA947013. Sid seconded the motion and the motion carried.

Sarah Ann made a motion, pursuant to the recommendation of the LMC, authorizing Baird Morgan to draft a letter, for signature by the Chairman of the Board, to all member counties discussing the problems of disclosing confidential information to plaintiff attorneys. Dennis seconded the motion and the motion carried.

Sarah Ann made a motion, pursuant to the recommendation of the LMC, to deny reimbursement to Beaver County for claim number 801BEA957002 in which Beaver County acted as though they were self insured or uninsured. Gerald seconded the motion and the motion carried with Gary Sullivan opposing.

LOSS PREVENTION REPORT

David reviewed his written report with the Board. All Board members received a copy of his report as well as accompanying attachments. David reported that in his risk review visit on July 5 to Rich County he noted that the deteriorating front steps to the courthouse had not been repaired pursuant to his recommendation in November of 1993. David immediately brought this condition to the attention of the County Commission and urged them to immediately block off the steps to public access. A follow-up letter was sent on July 13, 1995. Brent called the Rich County Insurance Coordinator, Pamela Shaul, who said that the courthouse steps are not blocked off and are not repaired. The county is having a hard time finding someone to repair the steps. Brent stressed that the steps should be blocked off until the repairs are made. Pamela will tell the commissioners.

David is doubtful that Piute County will make any corrective efforts regarding the risk review recommendations sent to them on June 28, because the County is in the process of building a new courthouse.

David has not received a written response from Tooele County regarding their risk review recommendations. Dennis explained and handed to the Board for their review, a copy of the minutes from Tooele County's Accident Review Board meeting which also included discussion of the corrective actions being taken pursuant to David's recommendations.

David set-up a meeting with each member county to implement, review and assist in the activities of the county's Accident Review Board. Kane, Piute and Wayne Counties did not have anyone available to meet with David upon his arrival to these counties. The Board was concerned that David spent the time to travel to these counties without any telephone confirmation of his meeting. David reviewed the meetings scheduled with the remaining counties.

David is working with the Easter Seal Society on the ADA Title II compliance outlined for local government officials. Brent submitted a letter of support for a grant. If the grant is approved, the money will be used to train officials in ADA Title II compliance.

Finally, David reported on the Personnel Law Seminar he attended on July 17, consulting in Washington County, and training in Tooele and Juab Counties.

BROKERAGE REPORT

Keri reviewed a copy of the property and liability exclusions that the Board requested her to prepare and disburse to the member counties. The exclusions were taken directly from the policies. Keri will prepare a cover letter explaining that she will be available to answer any questions or concerns. The Board directed Keri to mail this information to the county insurance coordinator, the county attorney and the commission/council chairman.

The topic of one of the sessions Keri attended at the Annual PRIMA Convention dealt with special event's coverage. Following the session, Keri spoke with some of the administrators and members who are using a program through Fireman's Fund Insurance Company called Tenant Users Liability Insurance Program (TULIP). This program is for third-party constituents who use county facilities. Keri spoke with Fireman's Fund who would love UACIM's business and explained that only a \$2000 deposit was needed to begin the program. The counties would give the constituents a one page form to complete which also lists the rate for their specific event. The county would send the completed form, along with the constituents cashiers check, to Keri who will issue a certificate right from her office showing the county as an additional insured. The Board agreed this was a good program and benefit of membership with UACIM. Dennis made a motion to pay the \$2000 deposit from the Administrative Budget and to notify all member counties of this program. Gerald seconded the motion and the motion carried.

Jess and Sonya reported that all the county renewal information has been received for the 1996 bid process except for Beaver, Garfield, Piute and Sevier Counties. Sonya called the insurance coordinators in these counties and faxed another copy of their renewal questionnaire to them. Steve Wall, Sevier County Clerk-Auditor, called and said Sevier County's information was on its way. Gary Sullivan requested a copy of the renewal application for Beaver County which he will take back to Paul Barton for completion. All the data from the remaining membership has been compiled and is ready for the excess carriers. Jess will be going to Chicago next week to meet with the excess carriers.

Jess is still in the process of reviewing the 1995 St. Paul Policy and should have that ready for Sonya to mail to the counties within the next week.

STATE OF UTAH, WORKERS COMPENSATION INSURANCE LETTER

Every county should have received a letter regarding Workers Comp Coverage from the State. Kent explained that the new law indicates that if a county does not require its contractors to have Workers Comp (for themselves and their employees) then the county may be responsible. When contracts are made with independent contractors the counties must have language in the contracts stating that the contractor is responsible to provide Workers Comp for their employees and provide the county with proof of Workers Comp Insurance. The Board directed David to devise a way to inform the counties of this law and to continue to educate the counties during his risk review visits.

OTHER BUSINESS

Brent and Keri have been working with Earl Sires, Grand County Administrator, regarding the Grand County Hospital. It appears that the Hospital does not fit the criteria under the UACIM Special District Policy. The County is in the process of negotiating a sale of the Hospital which should be determined within the next 30 days. Brent told Earl that he would bring the possibility of continuing coverage for 30 days to the Board. The Board agreed to continue coverage for 30 days while the sale of the Hospital is being negotiated. If the sale does not go through then the Board will discuss Grand County's options of insuring the Hospital elsewhere.

Kent, Sid, Sheriff David Bateman and Sheriff Ed Phillips completely reviewed all the jail standards and delivered them back to Gary DeLand for his response. Kent wrote a letter to DeLand six months ago detailing the concerns with sections A-E and did not receive a reply from DeLand. Kent would recommend final payment be held until the suggested corrections are incorporated.

The next Board of Directors meeting is scheduled for September 1, 1995, at 9:00 a.m. at the UAC Offices. The agenda will be limited to set the premium rates for the 1996 policy year. The rates will be presented to the commissioners at the USACCC Workshop September 6-8. This meeting was adjourned.

UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL (UACIM)
MINUTES, BOARD OF DIRECTORS MEETING

August 3, 1995, 10:00 a.m.
UAC Offices, Salt Lake City

Board Members Present: Gary Herbert, *President*, Utah County Commissioner
Gerald Hess, *Vice President*, Davis County Deputy Attorney
Dennis Ewing, *Comptroller*, Tooele County Clerk
Sid Groll, Cache County Sheriff
Sarah Ann Skanchy, Cache County Council Member
Gary Sullivan, Beaver County Commissioner

Board Members Absent: Robert Gardner, *Secretary*, Iron County Commissioner
Ken Brown, Rich County Commissioner
Ty Lewis, San Juan County Commissioner

Others Present: Kent Sundberg, Utah County Deputy Attorney
Brent Gardner, UACIM Administrator
Sonya White, UACIM Administrative Assistant
David Nelson, UACIM Loss Prevention Manager
Jess Hurtado, UACIM Broker
Keri Chappell, UACIM Broker
Doug Alexander, UACIM Claims Administrator

Executive session was held to discuss the Litigation Committee and Claims Report.

PROPERTY EXCLUSIONS

WITH REGARD TO ALL PROPERTY, THIS INSURANCE DOES NOT INSURE AGAINST:

1. Loss by moth, vermin, termites or other insects; wear, tear or gradual deterioration; rust, wet or dry rot, or mold.
2. Loss or damage caused by:
 - a) Radioactive or fissionable material.
 - b) Contamination, other than by (a) above, unless directly resulting from Fire or extended Coverage perils.
3. Loss resulting from loss of use, delay or loss of markets.
4. Breakdown of machinery and/or boiler explosion but not excluding loss resulting therefrom. This exclusion shall not apply as respects to EDP equipment and media.
5. Loss resulting from dampness of atmosphere or variation in temperature unless caused by the Perils of Fire and Extended Coverage. This exclusion shall not be deemed to exclude loss resulting from freezing.
6. Loss of electrical appliances or devices of any kind, including wiring, arising from electrical injury or disturbance to the said electrical appliances or devices or wiring from artificial causes unless fire or explosion ensues, and then only for direct loss or damage caused by fire or explosion.

WITH REGARD TO ALL REAL PROPERTY, THIS INSURANCE DOES NOT INSURE AGAINST:

Loss by normal settling, normal shrinkage or normal expansion in foundations, walls, floors or ceilings.

WITH REGARD TO PERSONAL PROPERTY, THIS INSURANCE DOES NOT INSURE AGAINST:

1. Loss by mechanical derangement, inherent vice or latent defect. This exclusion shall not apply as respects to EDP equipment and media.
2. Loss resulting from processing or faulty workmanship, unless fire and/or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.
3. Loss resulting from shrinkage, evaporation, loss of weight or leakage, unless such loss is caused directly by fire or the combating thereof, lightning, windstorm, hail, explosion, strike riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft.
4. Inventory shortage, mysterious disappearances or loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of his employees.

LIABILITY EXCLUSIONS

THIS POLICY DOES NOT APPLY:

1. To any CLAIM or potential CLAIM or ACCIDENT or an occurrence or circumstances for which the NAMED INSURED or a PARTICIPATING MEMBER COUNTY has provided notice to any other insurance company before the POLICY PERIOD in the DECLARATIONS.
2. To any CLAIM resulting from an ACCIDENT which occurred or commenced prior to the RETROACTIVE DATE in the DECLARATIONS.
3. To liability of the NAMED INSURED or a PARTICIPATING MEMBER COUNTY for assault and battery committed by or at the direction of the NAMED INSURED or a PARTICIPATING MEMBER COUNTY except (i) liability for PERSONAL INJURY resulting from any act alleged to be assault and battery but committed for the purpose of preventing injury to persons or damage to property or (ii) liability arising out of a corporal punishment.
4. Except with respect to operations performed by independent contractors, to liability arising out of the ownership, maintenance or use, including loading or unloading, of aircraft or watercraft over 25 feet in length.
5. To loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force whether in time of peace or war, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority unless such acts of distraction by order of civil authority is at the time of and for the purpose of preventing spread of fire.
6. To any liability or expenses arising out of or alleged to have arisen out of, sexual or physical abuse or molestation, or physical abuse in connection with sexual abuse or molestation of any person involving physical contact or an alleged physical contact by an employee, agent or official of the NAMED INSURED or a PARTICIPATING MEMBER COUNTY.
7. To liability arising out of the rendering or failure to render HEALTH PROFESSIONAL SERVICES at any hospital or medical clinic:
 - a) medical doctors (except as limited to their duties as coroner);
 - b) which results from any surgical procedures
8. To liability arising out of the operations of any hospital.
9. To any obligation or liability for which the NAMED INSURED or a PARTICIPATING MEMBER COUNTY or any of their insurers may be held liable under any workers or unemployment compensation, occupational disease, disability benefits or similar law, provided however that this exclusion does not apply to the liability of others assumed by the NAMED INSURED or a PARTICIPATING MEMBER COUNTY under contract.
10. To liability arising out of bodily injury to any volunteer.

11. To any liability of the NAMED INSURED or a PARTICIPATING MEMBER COUNTY arising out of the operation of an airport or similar facility, whether owned or non-owned, except with respect to the maintenance of any buildings, premises or grounds incidental thereto.
12. To liability arising out of or in any way related to:
 - (a) the CONTAMINATION of any ENVIRONMENT by POLLUTANTS that are introduced at any time, anywhere, in any way;
 - (b) any PERSONAL INJURY, PROPERTY DAMAGE, costs or other loss or damage arising out of such CONTAMINATION, including, but not limited to, cleaning, remedying or detoxifying such CONTAMINATION; or
 - (c) payment of sums related to the 1) investigation or defense of any loss, injury or damage or 2) payment of any cost, fine or penalty or 3) payment of any expense involving a claim or suit related to any of the above.
13. To PERSONAL INJURY or PROPERTY DAMAGE arising out of or in any way related to:
 - (a) inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;
 - (b) the use of asbestos in constructing or manufacturing any good, product or structure;
 - (c) the removal of asbestos from any good, product or structure;
 - (d) the manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos; or
 - (e) the payment of sums related to the 1) investigation or defense of any loss, injury or damage or 2) payment of any cost, fine or penalty or 3) payment of any expense involving a claim or suit related to any of the above.
14. To liability arising out of or in any way related to:
 - (a) the auditing of accounts or records of others;
 - (b) the operation of an investment or real estate department or committee; or
 - (c) any capacity as a fiduciary or trustee for mutual funds, pension or welfare funds, or similar activities.
15. To liability arising out of Inverse Condemnation and/or Eminent Domain.

**San Juan County Commission**

Ty Lewis - Chairman

Mark Maryboy - Commissioner

Bill Redd - Commissioner

Rick M. Bailey - Administrative Assistant

July 31, 1995

UAC Mutual Board of Directors
Salt Lake City, Utah

Dear Board Members:

I am requesting that the Board excuse me from the insurance board meeting this week. I am in the middle of cutting wheat and will not be able to be in attendance. Commissioner Redd will be in SLC and I have asked him to step in for me at this meeting.

I am also requesting the Board to excuse me from the previous meeting as I was also involved with my farming activities as the hay crop was ready to be harvested.

I apologize for this inconvenience of my schedule but as the farming activities from harvest slow down, I should be able to resume my attendance at the board meetings.

Very truly,


Ty Lewis

RECEIVED JUL 13 1995

July 11, 1995


Mr. Brent Gardner, Director
Utah Association of Counties
4021 South 700 East, Suite 180
Salt Lake City, Utah 84107

Dear Brent:

I have a grandson being married in the Las Vegas Temple, which will involve the 3rd and 4th of August, and will not be able to attend the August board meeting. Please have me excused.

Thanks.

Sincerely,

A handwritten signature in black ink, appearing to be 'RLG' or similar, written over the word 'Sincerely,'.

Robert L. Gardner

UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL

Administrative Budget

	<i>1994 Budget</i>	<i>1995 Budget</i>
REVENUES COLLECTED		
Management Fees	225,000	260,000
Interest	0	4,000
Total Revenue	225,000	264,000
EXPENSES PAID		
Accounting/Audit	1,500	350
Administrative Fees	10,000	5,000
Auto Expenses	3,000	3,000
Auto Reserve	6,000	10,000
Board Expenses	5,000	10,000
Consulting Fees	15,000	2,000
Copying	0	2,500
Dues, Subscriptions	1,000	1,000
FICA	8,000	9,200
Legal	1,000	0
Loss Control/Training	15,000	10,700
Medical Insurance	13,400	17,000
Newsletter	0	1,500
Office Equipment	10,000	18,300
Office Rent	15,000	17,500
Office Supplies	2,500	1,500
Other	17,000	0
Other Insurance	700	750
Postage	2,500	3,000
Printing	5,000	1,500
Retirement	11,000	23,200
Staff Expense	6,500	5,500
Staff Salaries	72,600	113,700
Technical Assistance	300	0
Telephone	3,000	2,800
Total Expenses	225,000	260,000
ENDING BALANCE	0	4,000

